



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
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MEMO ENDORSED

September 20, 2007

By Facsimile

Hon. P. Kevin Castel
Daniel Patrick Moynihan United States Courthouse
500 Pearl St., Room 2260
New York, NY 10007

RE: S.E.C. v. Empire Development Group, LLC et al. (07 Civ. 3896 (PKC))

Dear Judge Castel:

We write on behalf of Plaintiff Securities and Exchange Commission and Defendant Empire Development Group, LLC to jointly request permission to use a portion of defendant Michael Ayngorn's first rent check, payable September 30, 2007, to pay for an engineer's report on the Brooklyn property.

At the conference on September 7, 2007, the parties agreed and represented to the Court that Mr. Ayngorn would begin to pay rent, in the amount of \$1,000 per month, for his use of the Brooklyn property. The rent check is to be paid to one of the financial institutions holding a mortgage on that property.

Last week, it came to our attention that the Brooklyn house may have major structural problems that would drastically reduce the value of the house. The Corcoran broker informed us, for example, that there is a huge crack on one side of the house from the front to the back, and a smaller crack on the other side.

In light of the possible structural problems, the broker has advised us to obtain an engineer's report. She estimates that the report will cost \$500 - \$700. Without a report, the broker states that she cannot aggressively market the property. Moreover, based in large part on our current uncertainty about the house's structure, the broker has recommended that we accept an offer \$250,000 below the asking price.

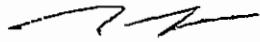
Application
Granted.
SO ORDERED
John J. Santt
USDJ
9-21-07

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Accordingly, the parties wish to hire an engineer as soon as possible. In order to pay the engineer's fee, we seek the Court's permission for Mr. Ayngom to write a check for the necessary amount to the engineer. If the engineer's fee is less than \$1,000, Mr. Ayngom would be required to pay the balance to the financial institution holding the mortgage.

Thank you. We are available to discuss this matter at the convenience of the Court.

Respectfully,



Michael Paley
Senior Counsel
Division of Enforcement



Liam O'Brien
Attorney for Empire Development Group, LLC